

A<sup>2</sup> --The inverse quantization circuit 172 performs inverse quantization on the quantized data input from the quantization circuit 168 and outputs the same as the inverse quantized data to the inverse DCT circuit 174.--

Please replace the paragraph beginning at page 18, line 22, with the following rewritten paragraph:

A<sup>3</sup> --The encoder control unit 12 performs the preprocessing of rearrangement of pictures in the order of coding etc. with respect to the noncompressed video data VIN input to the video data compression apparatus 1, as shown in Fig. 4A, and outputs the same as the video data S12 to the FIFO memory 160 and the encoder 162.--

Please replace the paragraph beginning at page 21, line 6, with the following rewritten paragraph:

A<sup>4</sup> 
$$--R'_{j+1} = R'_j - S_j + F_{j+L} \quad (3)--$$

Please replace the paragraph beginning at page 21, line 7, with the following rewritten paragraph:

A<sup>5</sup> --Note that, the numerical value bit rate (Bit\_rate) in Equation 2 indicates the amount of data (amount of bits) per second determined based on the transmission capacity of the communication line and the recording capacity of the recording medium, "Picture\_rate" indicates the number of pictures per second contained in the video data (30 pictures/sec (NTSC), 25 pictures/sec (PAL)), and the numerical value  $F_{j+L}$  in Equation 3 indicates the average amount of data per picture determined in accordance with the picture type.--